

**O/0137/23**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION NUMBER 3604728**

**BY BEHAVIOURAL INSIGHTS LTD**

**TO REGISTER THE FOLLOWING TRADE MARK:**

**THE NUDGE UNIT**

**IN CLASSES 9, 35, 41 AND 42**

**AND**

**AN OPPOSITION THERETO UNDER NUMBER 425674**

**BY NUDGE GLOBAL LTD**

## **BACKGROUND AND PLEADINGS**

1. On 4 March 2021, Behavioural Insights Ltd (“the applicant”) applied to register the word mark “THE NUDGE UNIT” in the UK (“the contested mark”). The application was published for opposition purposes on 7 May 2021 and registration is sought for goods and services in classes 9, 35, 41 and 42.<sup>1</sup>

2. On 20 July 2021, Nudge Global Ltd (“the opponent”) opposed the application in full based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent relies upon UK trade mark number 3322233, “NUDGE”, which has a filing date of 3 July 2018, a registration date of 16 November 2018 and is registered for goods and services in classes 9, 36, 41 and 42, all of which are relied upon for this opposition.<sup>2</sup>

3. Under section 5(2)(b), the opponent claims that the dominant and distinctive element of the contested mark is identical to the entirety of the earlier mark and that the resulting similarity between the marks combined with identical or similar goods and services gives rise to a likelihood of confusion.

4. In accordance with section 6A of the Act, the earlier mark is not subject to proof of use and so the opponent may rely upon all the goods and services for which it is registered.

5. The applicant filed a defence and counterstatement denying the grounds of opposition.

6. On 14 December 2021, the parties filed a joint stay request in order to pursue settlement negotiations. The proceedings were stayed until 31 January 2022, at which point no settlement had been reached and so the proceedings continued.

7. During the evidence rounds, both parties filed evidence in chief and the opponent filed evidence in reply. A hearing took place before me on 17 November 2022. The

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<sup>1</sup> The full specification will be listed in the goods and services comparison.

<sup>2</sup> The full specification will be listed in the goods and services comparison.

opponent was represented by Mr Henry Edwards of Counsel, instructed by J P Mitchell Solicitors. The applicant was represented by Ms Patricia Collis of DLA Piper UK LLP.

## **EVIDENCE AND SUBMISSIONS**

8. The opponent filed evidence in chief in the form of written submissions as well as the first witness statement of Timothy James Perkins dated 28 February 2022 and its corresponding ten exhibits. Mr Perkins is a director of the opponent company. The evidence is said by the opponent to go to its claim to an enhanced distinctive character through use.

9. The applicant filed evidence in chief in the form of four witness statements:

- i. Witness statement of Jill Rutter dated 16 June 2022 and its corresponding one exhibit. Jill Rutter is a Senior Research Fellow at King's College London and a Senior Research Fellow at the Institute for Government;
- ii. Witness statement of Richard H. Thaler dated 16 June 2022 and its corresponding one exhibit. Mr Thaler is a Professor of Behavioural Science and Economics at the University of Chicago;
- iii. Witness statement of Mark Easton dated 17 June 2022 and its corresponding three exhibits. Mr Easton is Home Editor for the BBC; and
- iv. Witness statement of David Solomon Halpern dated 27 April 2022 and its corresponding thirteen exhibits. Mr Halpern is CEO of the applicant company.

10. The purpose of the applicant's evidence was clarified at the hearing. Rather than an attempt to claim a defence of honest concurrent use or an attempt to claim a reputation in the contested mark, Ms Collis explained that the evidence has been filed to provide information on how the relevant public would understand the contested mark, which is relevant to the conceptual comparison of the marks at issue and the overall likelihood of confusion assessment.

11. The opponent filed evidence in reply in the form of the second witness statement of Timothy James Perkins dated 29 June 2022 and its corresponding two exhibits.

12. The evidence and submissions will be referred to where necessary throughout this decision.

## **DECISION**

### **Relevance of EU law**

13. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

### **Section 5(2)(b)**

14. Section 5(2)(b) of the Act states that:

“A trade mark shall not be registered if because –

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

### **Relevant law**

15. The following principles are gleaned from the decisions of the Court of Justice of the European Union (“CJEU”) in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik*

*Meyer & Co GmbH v Klijsen Handel B.V.*, Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

### The principles

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of goods and services**

16. In comparing the respective specifications, all relevant factors should be considered, as per *Canon*, where the CJEU stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

17. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] RPC 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

18. Further, in *Kurt Hesse v OHIM*,<sup>3</sup> the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods/services. In *Boston Scientific Ltd v OHIM*,<sup>4</sup> the General Court (“GC”) stated that “complementary” means:

“...there is close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking.”

19. In *Gérard Meric v OHIM*, the GC confirmed that even if goods/services are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):<sup>5</sup>

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM*- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

20. I bear in mind that it is permissible to group goods and services together for the purposes of assessment: *Separode Trade Mark*.<sup>6</sup>

“The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same

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<sup>3</sup> Case C-50/15 P

<sup>4</sup> Case T-325/06

<sup>5</sup> Case T-133/05

<sup>6</sup> BL O/399/10

reasons, the decision taker may address them collectively in his or her decision.”

21. Section 60A of the Act is also relevant, which states that:

“(1) For the purposes of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear to be in the same class under the Nice Classification,

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the ‘Nice Classification’ means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1979.”

22. The competing goods and services are shown below:

#### The applicant’s specification

Class 9: Podcasts; downloadable podcasts; downloadable media; downloadable videos; downloadable sound recordings; downloadable publications; mobile applications; software applications; media streaming software; biometric retinal scanners; facial recognition software; machine learning software.

Class 35: Business advice and information; analysis of company behaviour; business advisory and consultancy services in the field of policy relating to, in particular, consumer behaviour, finance, crime, justice, security, education and skills, energy, the environment and sustainability, equality and diversity, health, international development, tax, the economy, employment, charitable work, local government services, digital strategy and productivity; consultancy relating to business analysis;



commercial lobbying services; services relating to the lobbying of government departments and the liaison between businesses and government departments; business economics consultancy in relation to social behaviour; evaluations relating to commercial matters; business evaluations relating to policy matters in the fields of, in particular, consumer behaviour, finance, crime, justice, security, education and skills, energy, the environment and sustainability, equality and diversity, health, international development, tax, the economy, employment, charitable work, local government services, digital strategy and productivity; statistical evaluation of marketing data; compilation of statistics; statistical analysis and reporting; contract procurement services; public relations services; analysis of commercial trading and consumer information services; advisory services relating to corporate identity; business management assistance; social analyses and studies; business information; business management and organisation consultancy; economic forecasting; economic planning consultancy for business management; statistical information; market research; analysis of market research data and statistics; business and market research; collection of information relating to market research; conducting of marketing studies; consumer research; consumer response analysis; business strategy services; advisory services relating to business planning; business management consultancy services; professional business consulting; advice, consultancy and information for the aforesaid, included in the class and in relation to video, audio and television streaming services and podcasting services; none of the aforesaid services being consultancy and assessment services relating to personnel evaluation, selection and placement of personnel, other than behavioural sciences of recruitment.

Class 41: Education; providing training; publishing; electronic publishing; arranging, conducting and organising conferences, trade shows, exhibitions, educational events, courses, training, seminars, tutorials, workshops and award ceremonies; provision of information and advice relating to these services; publication of documents in the field of training, science, public law and social affairs; advice, consultancy and information for the aforesaid, included in the class; creation [writing] of podcasts; provision of education via podcast; provision of training via podcast; distribution of podcast recordings; audio and sound recording and production; production of radio and television programmes; none of the aforesaid services being

education, training, and instruction of personnel in recruitment, in personnel evaluation, or in psychological testing of personnel, other than behavioural sciences.

Class 42: Scientific and technological services and research and design relating thereto; provision of consultancy services in the field of human behaviour; scientific consultancy; research in the field of social behaviour; technical consultancy in relation to projects in the field of social behaviour; scientific and technological services in the field of behavioural science; monitoring and providing information relating to government and government activities; professional advisory and consultancy services relating to governments and their domestic and International policies and interactions, and relating to public affairs; professional consultancy in the fields of scientific information and research; research services; computerised data analysis; data mining; research in the field of social media; advice, consultancy and information for the aforesaid, included in the class; software as a service featuring software for machine learning; providing artificial intelligence computer programs on data networks.

#### The opponent's specification

Class 9: Computer software; computer applications software; software applications for use with mobile phones, tablets and other mobile devices; electronic publications; electronic publications supplied online from a database or from the Internet; electronic publications relating to financial education and planning; computer software for financial and monetary purposes; computer software for financial assistance and evaluation; computer software for financial education and planning; computer software applications in the fields of financial education and planning for use with laptops, mobile phones, tablets and other mobile devices.

Class 36: Financial and monetary services, and banking; financial consultancy; financial assistance; financial evaluations and assessments; financial planning; financial auditing.

Class 41: Education and training services; financial education and training; education and training services in the fields of finance and financial planning.

Class 42: IT services; software as a service; rental of financial education and planning software; software development and design.

23. Both parties have made submissions relating to the comparison of goods and services throughout these proceedings. The opponent filed a detailed comparison table at Annex A to its skeleton arguments. The parties' written submissions were expanded upon at the hearing. I have considered the entirety of the submissions and will refer to them where necessary during my assessment.

### Class 9

24. At the hearing, Ms Collis made the following submissions:<sup>7</sup>

“Starting with Class 9, I am not going to try to argue that the types of computer software covered within the applicant's specification do not fall within the broad term “computer software”; of course they do. Yes, there is identity in the sense that the computer software terms fall within that broader term.

Similarly with the downloadable publications term, I agree there is similarity there. Where I disagree here with Mr. Edwards is in relation to podcasts, downloadable podcasts, downloadable media, downloadable videos, downloadable signed recordings and biometrical retinal scanners.”

25. I, too, find that the applicant's *media streaming software; facial recognition software* and *machine learning software* fall within the opponent's *computer software*. These goods are identical in line with *Meric*. On the same principle, I find the applicant's *mobile applications* and *software applications* identical to the opponent's *computer applications software* and *software applications for use with mobile phones, tablets and other mobile devices*. Finally, there is also identity between the applicant's *downloadable publications* and the opponent's *electronic publications*.

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<sup>7</sup> Transcript of the Stenograph Notes of Marten Walsh Cherer Ltd. made at the Hearing on Thursday 17 November 2022.

26. The applicant's *downloadable media* is a broad term that covers any form of communication that can be downloaded, which would include publications. Accordingly, I find this term identical to the opponent's *electronic publications* in line with *Meric*.

27. At the hearing, both parties made submissions on their understanding of 'publications'. Ms Collis suggested that publications generally include written material, which people consume visually. Mr Edwards, on the other hand, disagreed that publications are solely written material and explained that publications cover all types of media, including podcasts and videos, and gave the example of streaming music.

28. I agree with Mr Edwards that publications are not limited to written material. One may typically think of publications as books or newspapers, for example, being printed or electronic. However, the core meaning of the term is not that narrow; publications include anything in which information is communicated (or *published*) with the public, which may consist of visual or audio content. On this basis, the applicant's *podcasts* and *downloadable podcasts* are included within the opponent's *electronic publications*, resulting in identity. I consider the same applies to the applicant's *downloadable videos* and *downloadable sound recordings*, which are types of media that are available to download and then watch or listen to by consumers.

29. This leaves *biometric retinal scanners* in the applicant's specification. The opponent's comparison table in its skeleton arguments suggested identity between these goods and the opponent's *computer software*. However, at the hearing Mr Edwards made the following submissions:<sup>8</sup>

"Next biometric retinal scanners, that is just one term in the Class 9 specification. Unlike the other ones it is not dealing with effectively software or intangible goods, it is a hardware effectively. We would say that that is complementary, or potentially complementary, to the computer software

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<sup>8</sup> Transcript of the Stenograph Notes of Marten Walsh Cherer Ltd. made at the Hearing on Thursday 17 November 2022.

registration in the earlier trade mark because often when you are buying that sort of hardware, you would purchase software to use in conjunction with it, for example to store the data that was generated from use of the scanner, and so someone encountering a biometric retinal scanner, branded under a particular mark, and related software branded under a particular mark would tend to assume they came from the same origin.”

30. I disagree that biometric retinal scanners are complementary to computer software. The applicant’s goods are specific pieces of hardware which, to my mind, are likely to be pre-programmed with the necessary software for them to function, rather than requiring consumers to purchase these products separately. Computer software being programmed onto devices is not sufficient, by itself, for a finding of similarity and I see no meaningful similarity in any other regard. Consequently, I find the applicant’s *biometric retinal scanners* dissimilar to the opponent’s goods and services.

#### Class 35

31. Before I come to the comparison, I will briefly address the exclusion “*none of the aforesaid services being consultancy and assessment services relating to personnel evaluation, selection and placement of personnel, other than behavioural sciences of recruitment*” at the conclusion of the applicant’s class 35 specification. I do not consider the exclusion to be relevant to my assessment of either party’s specification and so I disregard it in this section of my decision. The exclusion will apply to any services in class 35 which proceed to registration.

32. As a preliminary issue, Mr Edwards, at the hearing, submitted that the words “in particular” included in the applicant’s specification should be understood as giving a sense of scope rather than identifying specific services, as the word “namely” does. Mr Edwards referred me to EUIPO guidance on the matter, which states:<sup>9</sup>

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<sup>9</sup> Section 4.2.3 of the EUIPO Trade mark guidelines.

“The expression ‘in particular’ can also be accepted as it serves to indicate an example of the goods and services applied for.”

33. The UKIPO applies the same guidance: “in particular” is illustrative, not limiting. Accordingly, the applicant’s *business advisory and consultancy services in the field of policy [...] and business evaluations relating to policy matters [...]* will be considered as they are listed in this paragraph since the list of terms that follow are examples only. That being said, given that two of those listed examples relate to *finance* and *tax*, it is evident that there could be a financial nature to the aforementioned business services.

34. The opponent’s services include, inter alia, *financial consultancy; financial assistance and financial planning*, all of which provide the consumer with advice regarding managing money. Whilst the applicant’s business services (listed in the previous paragraph) may include certain financial aspects, such as tax advice, they are unlikely to provide advice on specific financial products or investments, which would be provided by financial institutions. This is where the services differ. They are ultimately likely to offer different services to consumers, despite there being an overlap in the nature of the advice given. The services do not have a competitive relationship: they are not alternatives to one another. Nor do I consider there to be complementarity bearing in mind the relevant case law; an overlap in the nature of the advice given as part of these services does not mean they are so important for each other that consumers assume they are offered by the same undertaking. Overall, I find a low degree of similarity between these services.

35. The same applies to the applicant’s *business advice and information; consultancy relating to business analysis; evaluations relating to commercial matters; business management assistance; business information; business management and organisation consultancy; business strategy services; advisory services relating to business planning; business management consultancy services; professional business consulting and advice, consultancy and information for the aforesaid, included in the class and in relation to video, audio and television streaming services and podcasting services*. There may be a minimal overlap in the advice and consultancy offered including a financial aspect, but any similarity between these services is low.

36. In regard to the remaining services in the applicant's Class 35, I see no overlap with any of the opponent's services. In its skeleton arguments, the opponent listed the entirety of the applicant's Class 35 specification and suggested similarity with either its Class 35 or, alternatively, its Class 41 or 42 services and gave a handful of examples. I see no meaningful similarity with the remaining terms and absent any specific submissions from the opponent, I find no similarity between the opponent's specification and the following terms:

*Commercial lobbying services; services relating to the lobbying of government departments and the liaison between businesses and government departments; business economics consultancy in relation to social behaviour; statistical evaluation of marketing data; compilation of statistics; statistical analysis and reporting; contract procurement services; public relations services; analysis of commercial trading and consumer information services; advisory services relating to corporate identity; social analyses and studies; economic forecasting; economic planning consultancy for business management; statistical information; market research; analysis of market research data and statistics; business and market research; collection of information relating to market research; conducting of marketing studies; consumer research; consumer response analysis.*

#### Class 41

37. As a preliminary point, I do not consider the exclusion "*none of the aforesaid services being education, training, and instruction of personnel in recruitment, in personnel evaluation, or in psychological testing of personnel, other than behavioural sciences*" to be relevant to the comparison and so this will apply to any services which proceed to registration.

38. It is clear that the applicant's *education* and *providing training* are identical to the opponent's *education and training services*. In line with *Meric*, the opponent's aforementioned services encompass the applicant's *provision of education via podcast* and *provision of training via podcast*. These services are identical.

39. The applicant's specification contains *arranging, conducting and organising conferences, trade shows, exhibitions, educational events, courses, training, seminars, tutorials, workshops and award ceremonies* and *provision of information and advice relating to these services*. I consider that the opponent's *education and training services* would encompass the arranging, conducting and organising of conferences, educational events, courses, training, seminars, tutorials and workshops, resulting in identity. The same does not apply to trade shows, exhibitions or award ceremonies since, in my view, these are not forms of education or training and so there is no meaningful similarity between these services. The provision of information and advice relating to the arranging, conducting and organising of various events is similar to the services themselves but again, only insofar as the events are education- or training-related. However, dissecting a term in the applicant's specification in this manner is only necessary should I find the opposition to succeed; if I do, it will be for the applicant to agree to any changes to its specification before the application proceeds. Therefore, I will return to this point later in my decision.

40. In relation to the remaining terms in the applicant's Class 41 specification, the opponent submits that:<sup>10</sup>

"Any services involving '*publishing*' will be highly similar to the services relating to education or training in the earlier trade mark. Publishing services are often provided in conjunction with education or training services (e.g. when the education is provided through a publication such as a podcast, booklet or book). The services are therefore complementary and directed at the same end users.

Further, these publishing services are highly similar to the earlier trade mark's class 9 "*electronic publications*." Plainly these services are highly complementary to the goods: without a publisher, electronic publications or other publications would not reach the market so the service is indispensable in *Boston Scientific* sense."

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<sup>10</sup> Annex A to the opponent's skeleton arguments.



41. Ms Collis argued at the hearing that its Class 41 services are not similar to any of the goods or services covered by the earlier mark. Ms Collis submitted that whilst there is “effectively a supply chain involved here”, consumers would not see the undertaking publishing the product as related to the undertaking responsible for the publications themselves.

42. I agree with the opponent that there is an overlap between publishing services and publications as goods. Taking an online journal article for example, as a type of electronic publication, it seems likely to me that consumers reading that online journal article would expect the undertaking responsible for that article to be either the same or closely linked to the undertaking responsible for the service of publishing the article online. The nature must be different since one is the end-product and one is a service, but the purpose and end user are shared and there is a clear complementary nature. I therefore consider the applicant’s *publishing; electronic publishing and publication of documents in the field of training, science, public law and social affairs* similar to a medium to high degree to the opponent’s *electronic publications*.

43. The applicant’s *advice, consultancy and information for the aforesaid, included in the class* relating to the *publication of documents [...]* is a step further removed from the opponent’s *electronic publications*. However, again, I consider that consumers would expect to approach the same undertaking which is responsible for the publications themselves for advice and consultancy relating to the publication of documents. I find these similar to a low to medium degree.

44. As explained at [28] podcasts can be considered electronic publications. I turn now to the applicant’s *distribution of podcast recordings* and will compare them to the opponent’s *electronic publications*. The publishing of publications is different to the distribution of them. To my mind, publishing involves the creation of the content and its preparation for the marketplace whereas distribution involves the actual selling or making available of the publication. How consumers see the responsibility for these actions is important here. A book or newspaper, for example would not be expected to be both published and distributed by the same party; they are simply two different undertakings within the same ‘supply chain’ as suggested by Ms Collis. The same applies to podcasts. In my view, consumers will not expect the undertaking responsible

for the podcast or electronic publication to be the same as the undertaking responsible for distributing podcasts. The fact that the end user may be the same is not sufficient, by itself, for a finding of similarity. I do not consider the applicant's *distribution of podcast recordings* to be similar to the opponent's goods or services.

45. The applicant's *creation [writing] of podcasts and audio and sound recording and production* refer to the production of what can all be considered publications as opposed to the publishing of them. When considering printed publications, such as books, the producer is likely to be the print manufacturer, who would not be seen to be the same party responsible for the book itself. However, the situation for electronic publications may be different. The person/s responsible for creating a podcast, audio publication or for recording or producing music, for example, is likely to be considered by the public as being the same as or linked to the person/s responsible for the publication itself. As such, similar to my findings at [42], I find the applicant's *creation [writing] of podcasts and audio and sound recording and production* similar to a medium to high degree to the opponent's *electronic publications*.

46. I consider the applicant's *production of radio and television programmes* to be further removed from the services described in the previous paragraph. Radio and television programmes are unlikely to be seen by consumers as publications but as broadcasts, since they are not issued to the public but broadcast i.e. transmitted via radio waves or electronic means. I do not find radio and television programmes to be encompassed within the opponent's *electronic publications* and so there is no similarity between the production of such programmes and the opponent's aforementioned goods.

#### Class 42

47. The opponent, in the comparison table provided in its skeleton arguments, split the applicant's class 42 services into those it deems identical to the opponent's services and those it deems similar. The submissions read as follows:

“Some of the identified services of the contested application broadly cover all “*scientific and technological services*.” It is submitted that these services will

encompass and are therefore highly similar to the services like “*IT services*” in the earlier trade mark.

Other identified services in the contested application are encompassed by the earlier trade mark’s “*IT services*” or “*software as a service.*” These encompassed services include: “*computerised data analysis*” and “*data mining.*”

[...]

The identified services are consultancy services involving science or social science. Such services may be provided with or through computer based-analysis, in other words the services may be provided through “*IT services*” under class 42. Further such services involve the provision of information and are therefore by their nature highly similar to the class 41 and 42 services of the earlier trade mark which encompass both education and financial consultancy services.”

48. The applicant’s *software as a service featuring software for machine learning* falls within the scope of the opponent’s *software as a service*; these are identical in accordance with *Meric*.

49. The applicant’s *scientific and technological services and research and design relating thereto* is a broad term which, given that *IT services* fall within *technological services*, are identical in line with *Meric* to the same term in the opponent’s specification. I acknowledge that there are many subcategories within the applicant’s term which I would not find similar to the opponent’s services (specific scientific services, for example); therefore, if the opposition succeeds, the applicant will be invited to offer a revised specification for this term. I will return to this point later in my decision. The same applies to the applicant’s *scientific and technological services in the field of behavioural science* despite these being specifically in the field of behavioural science.

50. The opponent's *IT services* is a broad term that would also encompass the following terms in the applicant's specification: *technical consultancy in relation to projects in the field of social behaviour; computerised data analysis; data mining and providing artificial intelligence computer programs on data networks*. I find these identical in line with *Meric*.

51. I turn now to the remaining terms in the applicant's Class 42: *provision of consultancy services in the field of human behaviour; scientific consultancy; research in the field of social behaviour; monitoring and providing information relating to government and government activities; professional advisory and consultancy services relating to governments and their domestic and International policies and interactions, and relating to public affairs; professional consultancy in the fields of scientific information and research; research services; research in the field of social media and advice, consultancy and information for the aforesaid, included in the class*. I find no meaningful similarity between these services and any of the opponent's goods and services and I am not persuaded by the opponent's submissions in relation to these terms. The mere fact that some of these services are consultancy services and the opponent has protection for *financial consultancy* is not sufficient, by itself, for a finding of similarity. Consultancy is an extremely broad term: financial consultancy is, to my mind, entirely different to scientific consultancy, social media consultancy and human behaviour consultancy, for example. I find the services listed in this paragraph dissimilar to the opponent's goods and services.

52. In accordance with *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, if there is no similarity between goods or services, there is no likelihood of confusion to be considered. Consequently, the opposition has failed in relation to the following goods and services, which may proceed to registration:

Class 9

*Biometric retinal scanners.*

Class 35

*Commercial lobbying services; services relating to the lobbying of government departments and the liaison between businesses and government departments;*

*business economics consultancy in relation to social behaviour; statistical evaluation of marketing data; compilation of statistics; statistical analysis and reporting; contract procurement services; public relations services; analysis of commercial trading and consumer information services; advisory services relating to corporate identity; social analyses and studies; economic forecasting; economic planning consultancy for business management; statistical information; market research; analysis of market research data and statistics; business and market research; collection of information relating to market research; conducting of marketing studies; consumer research; consumer response analysis; none of the aforesaid services being consultancy and assessment services relating to personnel evaluation, selection and placement of personnel, other than behavioural sciences of recruitment.*

#### Class 41

*Distribution of podcast recordings; production of radio and television programmes; none of the aforesaid services being education, training, and instruction of personnel in recruitment, in personnel evaluation, or in psychological testing of personnel, other than behavioural sciences.*

#### Class 42

*Provision of consultancy services in the field of human behaviour; scientific consultancy; research in the field of social behaviour; monitoring and providing information relating to government and government activities; professional advisory and consultancy services relating to governments and their domestic and International policies and interactions, and relating to public affairs; professional consultancy in the fields of scientific information and research; research services; research in the field of social media and advice, consultancy and information for the aforesaid, included in the class.*

### **The average consumer and the purchasing act**

53. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which the goods and services are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc*,

*Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. (as he then was) described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The word “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

54. At the hearing, I asked for submissions on who the average consumer is for the relevant goods and services. Mr Edwards quite rightly suggested that the average consumer entirely depends on the goods and services, particularly given the breadth of some of the terms. He gave the example of podcasts and mobile applications being accessed by any member of the public, and the services predominantly being aimed at business consumers. Mr Edwards referred to *Supreme Petfoods*<sup>11</sup> and submitted that “where you have a business consumer and a normal member of the public, the analysis should be focused on the normal member of the public” and suggested this applies to the class 9 goods, in particular, software goods. In *Supreme Petfoods*, despite the evidence showing that the circumstances differed in that case, Mr Justice Arnold stated that:<sup>12</sup>

“In general, therefore, it is the perceptions of consumers [...] that matters, not the perception of intermediaries [...]. After all, members of the trade are less likely to be confused (or have their perceptions affected in other ways) than consumers, because they are more likely to be well informed and observant when it comes to trade marks for the goods in their sector.”

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<sup>11</sup> *Supreme Petfoods Ltd v Henry Bell & Co (Grantham) Ltd* [2015] EWHC 256 (Ch).

<sup>12</sup> At [53] of his judgment.

55. In the case before, we are not necessarily talking about intermediaries, but the end consumers of the goods and services, whether they are members of the public or businesses, the latter of which may not be more informed where the goods or services are not in their particular sector but are simply accessed for the purpose of their business. I consider it prudent not to consider the matter simply from the perception of the general public but from whichever group of consumers are likely, if at all, to be confused.

56. Ms Collis submitted that the relevant average consumer is the general public.

57. There is a range of goods and services at issue in these proceedings, for which the average consumer will be a member of the general public or a business. In regard to the vast majority of the relevant services, for businesses who use these services regularly, they will consider the suitability for their business needs and the cost; given the potential impact on the business, they will pay a slightly higher than average degree of attention to the selection. For the same services accessed by individuals, the selection is likely to be slightly more considered as they are unlikely to be used as regularly as for businesses; an average to high degree of attention will be paid to the selection. On the whole, the purchase of the goods will not attract the same level of consideration. The software-related goods will require thought as to the suitability and will vary in price, but the level of attention paid by either individual or business consumers will be average. Other goods, such as mobile phone applications, for example, are used frequently and often without much consideration, given the ease with which applications can be downloaded (often for free) and then deleted again. For these goods, there is often, though not always, little thought involved and I consider all consumers to pay an average degree of attention during the purchasing process.

58. The goods and services are likely to be purchased by self-selection from mobile applications, printed advertisements or websites. I consider the purchasing to be mainly visual, however, given that word-of-mouth recommendations, particularly for professional services, might be made, I do not discount an aural component to the selection.

## Comparison of marks

59. It is clear from *Sabel* that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo*, that:

“...it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relevant weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

60. It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to take into account the distinctive and dominant components of the trade marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

61. The trade marks to be compared are as follows:

Earlier mark	Contested mark
NUDGE	THE NUDGE UNIT

### Overall impression

62. The earlier mark consists solely of the word NUDGE, with no stylisation or figurative elements. The overall impression of the mark rests in the one word itself.



63. The contested mark comprises the three words THE NUDGE UNIT, again with no stylisation or figurative elements. The opponent submits that the dominant and distinctive element of this mark is NUDGE on the basis that:<sup>13</sup>

“a. The term UNIT is descriptive in character, denoting the fact that the Applicant provides services through a team or group of individuals. The role of UNIT in the Application can be likened to descriptive or generic additions to trade marks like “- *Team*,” “-*Group*,” “- & *Co.*” or “- *Limited.*”

b. The dominant and distinctive component of the Application is clearly **NUDGE**. This is the part of the Application that a consumer would look to as signifying the origin of the goods and services provided under it. Put another way, it is highly unlikely that a consumer would confuse another mark with the Application just because it also had a “-**UNIT**” component (for example, **THE PERSONAL FINANCE UNIT** or **THE BEHAVIOURAL SCIENCE UNIT**).”

64. The applicant’s submissions on this point are as follows:<sup>14</sup>

“The words “THE” and “UNIT” in the Applicant’s mark (neither of which feature in the Opponent’s mark) are distinctive elements of the Applicant’s mark. This is because the Applicant brands certain goods/services provided by it as “THE NUDGE UNIT”; in other words, it will never use only part of this branding or the word “NUDGE” (in a trademark sense) in isolation, and has never previously done so. In this context, the word “THE” is not a mere grammatical marker, and the word “UNIT” does [not] merely indicate the existence of a separate corporate entity as the Opponent suggested, but rather “THE NUDGE UNIT” is a phrase which is always taken as a whole to represent a distinctive brand.”

65. How the applicant intends to ‘brand’ its goods and services or how the applicant refers to its own trade mark is not relevant to the assessment I am required to make, which is from the perspective of the average consumer. Whilst the applicant submits

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<sup>13</sup> The opponent’s skeleton arguments at [20].

<sup>14</sup> The applicant’s defence and counterstatement.

that it will not shorten its mark to “NUDGE”, if I consider it likely that the average consumer might do so, that is a factor I must take into consideration in my decision.

66. In my view, whilst the words ‘THE’ and ‘UNIT’ in the contested mark are not hugely distinctive by themselves, rendering ‘NUDGE’ the most distinctive component, it would be an artificial dissecting of the marks to say that those words play a lesser role in the overall impression of the mark as a whole since the three words clearly hang together as a unit; the word ‘NUDGE’ qualifies the ‘UNIT’ element and the word ‘THE’ is a determiner for ‘NUDGE UNIT’. I will return to this point in the conceptual comparison, but where the elements hang together to form a three-word mark, it is not appropriate for me to determine that ‘NUDGE’ solus is the dominant element of the mark. The overall impression of the mark resides in the combination of the three word elements.

67. The opponent has not made specific submissions in relation to the visual, aural and conceptual comparisons between the marks as wholes. The opponent’s submissions on the comparison of the marks are centred around its belief that ‘NUDGE’ is the dominant and distinctive element of the contested mark; its visual, aural and conceptual comparisons are based on NUDGE vs NUDGE. Even if I agreed with the opponent that the dominant and distinctive element of the contested mark is NUDGE, it is not appropriate to make the comparison based on that element of the contested mark alone. As stated in *Bimbo* (cited above) and reiterated by Mr Philip Harris in BL O/115/22, it is only when all other components of a complex mark are negligible (and descriptiveness does not of itself render an element negligible) that the comparison between marks can be made solely on the basis of the dominant element only. The words THE and UNIT are not negligible in the contested mark and so I will compare the marks as wholes, whilst bearing in mind the dominant and distinctive elements.

#### Visual comparison

68. As the applicant concedes, the earlier mark is wholly encompassed within the contested mark: this is a point of visual similarity. However, the word ‘NUDGE’ is the second word in the contested mark; it is preceded by ‘THE’ and followed by ‘UNIT’,

elements which have no counterpart in the earlier mark. There is a medium degree of visual similarity between the marks.

### Aural comparison

69. The applicant submits that its mark “will only ever be pronounced as THE NUDGE UNIT”.<sup>15</sup> I am not persuaded by this argument: it suggests there is no possibility for any consumers to articulate the mark in a different way, something which simply cannot be guaranteed by the applicant.

70. As explained at [67], since none of the components of the marks are negligible, I will aurally compare the marks as wholes. The shared component ‘NUDGE’ clearly creates aural similarity. However, this component is not in the same position within the marks meaning the beginnings of the marks are different; this creates a point of difference. The additional words ‘THE’ and ‘UNIT’ will be articulated and also create an aural difference. The comparison is between the earlier one-syllable mark and the contested four-syllable mark. Overall, I consider there to be a medium degree of aural similarity between the marks.

### Conceptual comparison

71. As explained earlier in this decision, the applicant’s evidence has been filed to provide information on how the relevant public would understand the contested mark. I questioned Ms Collis on this at the hearing. I explained that upon considering the evidence, it seemed clear to me that most of what was filed goes to the understanding of the ‘THE NUDGE UNIT’ within Government. I asked what proportion of the general public the applicant considered would be aware of the conceptual meaning it has put forward: a unit or entity dealing with the economic theory of “nudge”, which relates to the analysis of human behaviour and strategies for influencing the same. Ms Collis submitted that over time, and as part of the publicity at the time of the pandemic, the general public has become aware of the meaning of the term. Ms Collis further submitted that in the years 2010-2012 the proportion of the relevant public aware of

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<sup>15</sup> The applicant’s skeleton arguments at [8].

the meaning would have been “much narrower” but that it would now be the “vast majority” who understand the suggested concept of ‘THE NUDGE UNIT’.

72. The opponent disagrees with this conceptual distinction and attests to the marks’ conceptual identity on the basis of the common element ‘NUDGE’.

73. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.<sup>16</sup> The average consumer of the goods and services at issue is either a member of the general public or a business. As such, evidence going to the understanding of the contested mark within Government is not relevant to the decision I am required to make. If the average consumer were a professional associated with or working within Government, as it may be for some of the Government-related services in the applicant’s specification - *monitoring and providing information relating to government and government activities*, for example - the evidence going to this group of consumers may be decisive. However, I have found those services dissimilar to the opponent’s goods and services and therefore able to proceed to registration. Accordingly, those services and their potential average consumers are not relevant to the remaining issues to be addressed in deciding whether there is a likelihood of confusion.

74. Jill Rutter’s witness statement provides a useful explanation of: the relationship between some of the witnesses in these proceedings; ‘nudge theory’; and the applicant, as follows:

“3. IfG [Institute for Government] had been commissioned by the Labour government to work on a report on the potential for applying the ideas set out in a book called “Nudge: Improving Decisions about Health, Wealth and Happiness” (2008) by Richard Thaler and Cass Sustein to government. I reviewed some of the material relevant to those ideas that was being produced by a team David Halpern was leading at IfG. [...]

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<sup>16</sup> *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R. 29

4. When the coalition government was formed in 2020, Prime Minister David Cameron requested that a team be set up within government which would focus on applying behavioural insights to policy, and that this team be led by David Halpern because of his experience in behavioural sciences. The team that was set up was given the formal name of the Behavioural Insights Team, and had the function of advising government on the designing and testing of policies by applying insights from human behaviour literature to those policies. [...]

[...]

6. I cannot specifically recall the first time I heard the name 'The Nudge Unit' being used but its use was certainly prevalent, as a convenient shorthand for the Behavioural Insights Team, especially in the press. [...]"

75. Further clarification on the link between the applicant and the UK Government is provided in David Halpern's witness statement:

"3. The Applicant was created in 2014 as a spin-out of an internal government team. The internal team was established in 2010 and I have led the team continuously since it was established. I worked closely with the Prime Minister (David Cameron), Members of Parliament, and civil servants, in establishing the team and making it a huge success, and have had extensive access and working relationships with 10 Downing Street, other UK Government Department, and many other Governments and public bodies across the world.

4. When the Applicant was spun-out into a private corporation in 2014, I became its first CEO which is a position I have retained until today. I am on the board of the Applicant, and spend much of my time directly involved within the core services function of the business."

76. Notable narrative evidence going to the use of THE NUDGE UNIT and the associated concept put forward by the applicant includes:

- Jill Rutter’s witness statement stating that whenever she saw an interview, or read an article, by media personnel (across a range of media outlets) the Behavioural Insights Team was commonly referred to as ‘The Nudge Unit’;<sup>17</sup>
- Jill Rutter’s witness statement further explaining that “in the early days of the COVID-19 pandemic in March 2020, [...] given that the Behavioural Insights Team was advising the government on its strategy in relation to COVID-19, [...] the brand ‘The Nudge Unit’ was being used even more prevalently within the public domain”;<sup>18</sup>
- Mark Easton’s witness statement explaining there have been dozens of conversations, publications and TV segments relating to THE NUDGE UNIT over the last 12 years;<sup>19</sup>
- Richard Thaler’s witness statement explaining that in the 12 years since the applicant’s inception, he has consistently used (and heard being used) the brand ‘The Nudge Unit’ to refer to the applicant and that during conversations with colleagues, peers, Government officials and media personnel, the applicant was more commonly referred to as ‘The Nudge Unit’;<sup>20</sup>
- David Halpern’s witness statement referring to “many conversations” with ministers during which he was introduced as heading up ‘The Nudge Unit’ as well as “many conversations with individuals who clearly weren’t familiar with the name ‘Behavioural Insights Team’ but immediately recognised the brand ‘The Nudge Unit’”;<sup>21</sup> and
- Reference to the 2015 book ‘Inside The Nudge Unit’ by David Halpern, which was available through book sellers such as Waterstones and Amazon, and of which 41,000 copies, in English, had been sold worldwide at the date of the witness statement.<sup>22</sup>

77. As well as the narrative evidence provided by each witness, relevant documentary evidence includes:

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<sup>17</sup> [6]

<sup>18</sup> [8]

<sup>19</sup> [6]

<sup>20</sup> [10]

<sup>21</sup> [16]

<sup>22</sup> David Halpern’s witness statement at [27].

- Work relating to ‘THE NUDGE UNIT’ published on the Institute for Government website in March 2020;<sup>23</sup>
- An article titled “Do we all need a nudge” published on the BBC website in June 2008;<sup>24</sup>
- An article titled “How politicians learned the power of the gentle nudge” published on the BBC website in July 2015;<sup>25</sup>
- A screenshot of a tweet by Mark Easton via his ‘@BBCMarkEaston’ Twitter account posted in March 2020. The tweet reads “Experts from the government-funded Behavioural Insights Team (nudge unit) @B\_I\_Tweets have been moved to the coronavirus control centre at the Department of Health to help prevent an [sic] ‘misinfodemic’ (over or under reaction to the disease).” The tweet attracted 13 retweets, 15 quoted tweets and 16 likes;<sup>26</sup>
- Two media articles (from the ‘Financial Times’ and ‘The Guardian’), dated 2010, relating to The Nudge Unit;<sup>27</sup>
- Three media articles (from: ‘McKinsey & Company’, dated 2011; ‘Undercover Economist’, dated 2012; and ‘The New York Times’) regarding ‘The Nudge Unit’ as an internal Government team;<sup>28</sup>
- A number of media articles relating to ‘The Nudge Unit’ published over the years since the applicant became a private corporation;<sup>29</sup> and
- Screenshots of ‘The Behavioural Insights Team’ website, social media and its podcast named ‘Inside The Nudge Unit’.<sup>30</sup>

78. Bearing in mind the evidence referred to above, there is no doubt that there will be some members of the general public who understand ‘The Nudge Unit’ as referring to an internal Government department. The extent to which the purpose of that department will be known will vary considerably. Given the nature of the evidence before me, it is likely that members of the general public who understand the concept of the contested mark put forward by the applicant will predominantly consist of those

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<sup>23</sup> Exhibit JR1.

<sup>24</sup> Exhibit ME1.

<sup>25</sup> Exhibit ME2.

<sup>26</sup> Exhibit ME3.

<sup>27</sup> Exhibit DH2.

<sup>28</sup> Exhibit DH3.

<sup>29</sup> Exhibit DH7-8.

<sup>30</sup> Exhibits DH11-12.

who take an interest in business, economics or politics, for example. In my view, that does not account for a significant proportion – or the “vast majority”, as submitted by Ms Collis – of the general public in the UK, nor am I persuaded that the evidence supports this.

79. Whilst there may be a group of consumers who associate THE NUDGE UNIT with the concept suggested by the applicant, i.e. a unit or entity dealing with the economic theory of “nudge”, there will be a larger group who do not recognise such a meaning. For those consumers, THE NUDGE UNIT will have no immediately graspable concept, but consumers may look for words that they recognise and might see the element NUDGE meaning to gently push or to persuade someone and UNIT having several potential meanings, including a group of people or a single, complete thing.<sup>31</sup> THE will be seen simply as a determiner. The words, due to the way they are arranged, combine to form a unit, but this unit does not offer any meaning over and above the meanings of each of the individual words; the mark is a collection of words which happen to hang together grammatically, though it does not mean anything in particular.

80. I see no reason why the average consumer, being a member of the general public, would associate the earlier mark, NUDGE, with anything other than the ordinary dictionary meaning of that word, being to push someone gently with the aim of either moving them or drawing their attention to something. In the alternative, to ‘nudge’ someone may refer to gently persuading them.<sup>32</sup>

81. Overall, since the contested mark does not form a unit with a meaning different to the meanings of the individual words, I consider there to be a low degree of conceptual similarity given the shared element NUDGE. For consumers who see THE NUDGE UNIT as referring to the internal Government department, there is no conceptual similarity on the basis that the same concept will not be seen for the earlier mark.

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<sup>31</sup> Collins English Dictionary.

<sup>32</sup> Collins English Dictionary.



## **Distinctive character of the earlier mark**

82. In *Lloyd Schuhfabrik Meyer* the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

83. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods/services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

84. I will begin by assessing the inherent distinctive character of the earlier mark, which consists solely of the word NUDGE. The word is neither descriptive nor allusive for the goods and services for which the mark is registered, but it is a common dictionary word. I find the mark to have a medium degree of inherent distinctiveness.

85. Turning now to consider whether the distinctiveness of the earlier mark has been enhanced through use, I refer to the opponent's evidence of use, which can be summarised as follows:

- The company was incorporated in 2013 and annual turnover figures for 2014-2021 are as follows:<sup>33</sup>

Year	Turnover	% of sales in UK
2021	3,170,000	95
2020	2,592,000	97
2019	2,042,000	100
2018	1,294,000	100
2017	672,000	100
2016	350,000	100
2015	157,000	100
2014	5,000	100

- The company's corporate client list includes the following:<sup>34</sup>

Selfridges	Heineken	American Express	Bloomberg
BNP Paribas	AstraZeneca	Clifford Chance	Centrica
IBM	Investec	Procter & Gamble	RNIB
DLA Piper	John Lewis	Eli Lilly	Johnson & Johnson
Samsung	Siemens	Three	Facebook
Pret	Orange	Unisys	PayPal
Zurich	RSA	Chubb	MetLife
Mercedes	virgin Atlantic	SSE	Scottish Power
Accenture	AXA	Cisco	Vodafone

- Between 2015 and 2021 the company spent just over £1 million on marketing its NUDGE brand, approximately half of which was spent on the company's in-house marketing team;<sup>35</sup>

<sup>33</sup> The witness statement of Timothy Perkins at [4] and [8].

<sup>34</sup> [10].

<sup>35</sup> [11]

- One document per year from 2014 to 2020 has been provided as examples of marketing materials produced and distributed by the opponent.<sup>36</sup> The witness statement explains that these were distributed to HR and Employee Benefit professionals (as well as Wellbeing and ‘D&I’ professionals in 2020) in the UK through “multi-channel marketing campaigns including email marketing, digital ads on Google and Linked In, sales team outreaches, our corporate website, trade shows and internal events”;<sup>37</sup>
- In 2020, insights quoted in relation to NUDGE were covered in 42 publications in the human resources trade press and wider consumer press in UK and US with a combined readership of 1,115,196,006, including coverage in the Daily Express, Bloomberg, The Independent and HR News;<sup>38</sup>
- The company’s research reports are said to have been featured in publications such as Forbes and The Independent.<sup>39</sup>

86. Whilst the opponent clearly has a growing business, well-known clients and has invested in the marketing of its brand over the years, the evidence before me is not sufficient for me to be persuaded that the earlier mark is known to consumers in the UK to such an extent that the mark’s distinctive character has been enhanced above an average level. The turnover figures are not broken down or explained as relating to any particular goods or services, I have not been provided with the market share of any of the goods or services, and approximately £500,000 on marketing (excluding the amount spent on its marketing team) over seven years is not overwhelming. I conclude that the level of inherent distinctive character is not enhanced through such use.

### **Likelihood of confusion**

87. In determining whether there is a likelihood of confusion, all of the above factors need to be borne in mind. They must be considered globally (*Sabel*) from the perspective of the average consumer. In making my assessment, I must keep in mind

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<sup>36</sup> Exhibits TJP3-TJP9.

<sup>37</sup> [13].

<sup>38</sup> As above.

<sup>39</sup> As above.

that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik*). The factors considered above have a degree of interdependency (*Canon*): for example, a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa.

88. I have found the marks to be visually and aurally similar to a medium degree and either conceptually similar to a low degree or conceptually dissimilar. I have found the earlier mark to have a medium degree of inherent distinctive character. I have identified the average consumer to be either a member of the general public or a business who, paying varying degrees of attention, selects the goods and services mainly by visual means, though there may be an aural element to the purchase. I have found the similarity between the goods and services to vary from a low degree to identical.

89. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Limited v By Back Beat Inc.*, BL O/375/10, where Iain Purvis QC (as he then was), sitting as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark’.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI”, etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

90. I bear in mind that the contested mark contains the entirety of the earlier mark and that this shared element has a medium degree of distinctive character. However, the contested mark has an additional word either side of the common element, rendering the marks very different in length. I do not find it likely that consumers would entirely forget two out of three words in the contested mark. Given that direct confusion involves no process of reasoning, I find it highly unlikely that the average consumer would mistake one mark for the other. Even for identical goods and services, I do not consider there to be a likelihood of direct confusion.

91. I turn now to indirect confusion. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for

concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

92. During the comparison of the marks, I explained that whilst the individual elements of the contested mark, THE NUDGE UNIT, will be given their ordinary dictionary meanings and understood by the average consumer, they create an unusual combination with no clear meaning for a significant proportion of the relevant consumers. I also accepted, based upon the applicant's evidence, that some consumers will associate THE NUDGE UNIT with the Government department created in 2010, and that the marks were either conceptually dissimilar or similar to a low degree.

93. In my view, there is no clear basis for a finding of indirect confusion. As explained earlier in my decision, THE NUDGE UNIT hangs together, with THE being a determiner and UNIT being qualified by the word NUDGE. As such, the consumer is unlikely to attribute any trade significance to the "NUDGE" element solus. Neither would consumers dissect the word NUDGE from the contested mark since that involves a level of analysis not typically undertaken upon immediate perception of trade marks. On this basis, it does not seem likely to me that the contested mark would be shortened to NUDGE. Contrary to the opponent's submissions, I am not of the view that UNIT can be likened to 'company' or 'limited', which are often not articulated within trade marks; UNIT does not have the same descriptive nature. To my mind, the coincidence of the NUDGE element in both marks is not likely to lead the consumer to believe there is a trade connection. It is not so strikingly distinctive that consumers would assume only one undertaking uses it and the additional elements in the contested mark are not consistent with a brand extension, rebranding, or sub-brand, for example. I find that even where the consumer pays a lower level of attention to the purchase and the goods and services are identical, there is no likelihood of indirect confusion.

## **CONCLUSION**

94. The opposition has failed and the application may proceed to registration in its entirety.

## **FINAL POINT**

95. Earlier in this decision, I found that some terms in the applicant's specification may, if the opposition succeeded, be redrafted for the reasons given in those paragraphs. Since the opposition has failed, the requirement for either party to make comments on the applicant's specification becomes irrelevant.

## **COSTS**

96. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. My calculation of the award is shown below:

Preparing a statement and considering the other side's statement	£300
Preparing evidence and considering the other side's evidence	£1100
Preparing for and attending a hearing	£500
<b>Total</b>	<b>£1900</b>

97. I therefore order Nudge Global Ltd to pay Behavioural Insights Ltd the sum of £1900. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the final determination of the appeal proceedings.

**Dated this 7th day of February 2023**

**E FISHER (née VENABLES)**

**For the Registrar**